

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

1. (original) An on-line purchase and load (OPAL) server for performing a transaction over a network using a virtual smart card, said OPAL server comprising:
  - a virtual smart card database having a plurality of records, each record including a virtual card identifier and a balance corresponding to a single virtual smart card;
  - a hardware security module;
  - a smart card emulator that receives smart card commands and processes said commands in conjunction with said virtual smart card database and said hardware security module; and
  - a pseudo card reader module that receives said smart card commands and relays said commands to said smart card emulator, whereby said OPAL server performs a transaction over said network using one of said records in said virtual smart card database.
2. (original) An OPAL server as recited in claim 1 wherein said virtual card database further includes purchase algorithm identifiers, and wherein said hardware security module includes a plurality of purchase algorithms that are identified for use by one of said purchase algorithm identifiers, whereby said hardware security module may be used to perform cryptographic functions associated with a purchase.
3. (original) An OPAL server as recited in claim 1 further comprising:
  - a user verification module that verifies a user accessing said OPAL server and generates a user identifier, said user identifier being suitable to identify one of said virtual smart card records in said card database.
4. (original) An OPAL server as recited in claim 1 wherein said smart card emulator and said pseudo card reader module are implemented as a single software module.
5. (original) An OPAL server as recited in claim 1 wherein said network is an internet over which said OPAL server communicates with a merchant server and a payment server to transact a purchase.

6. (original) An OPAL server as recited in claim 1 wherein said network is an internet over which said OPAL server communicates with a bank server and a load server to load value onto said virtual smart card.

7. (original) An OPAL server as recited in claim 1 wherein said network is an internet over which said OPAL server communicates with a web server and an authentication server to authenticate a user.

8. (original) An OPAL server as recited in claim 1 wherein said OPAL server communicates over said network with a payment gateway for funding account authorization and clearing.

claims 9-33 (cancelled) ✓

34. (new) An OPAL server as recited in claim 1 wherein said smart card emulator is suitable for retrieving one of said records from said virtual smart card database, increasing or decreasing said balance of said record, and then returning said record to said virtual smart card database.